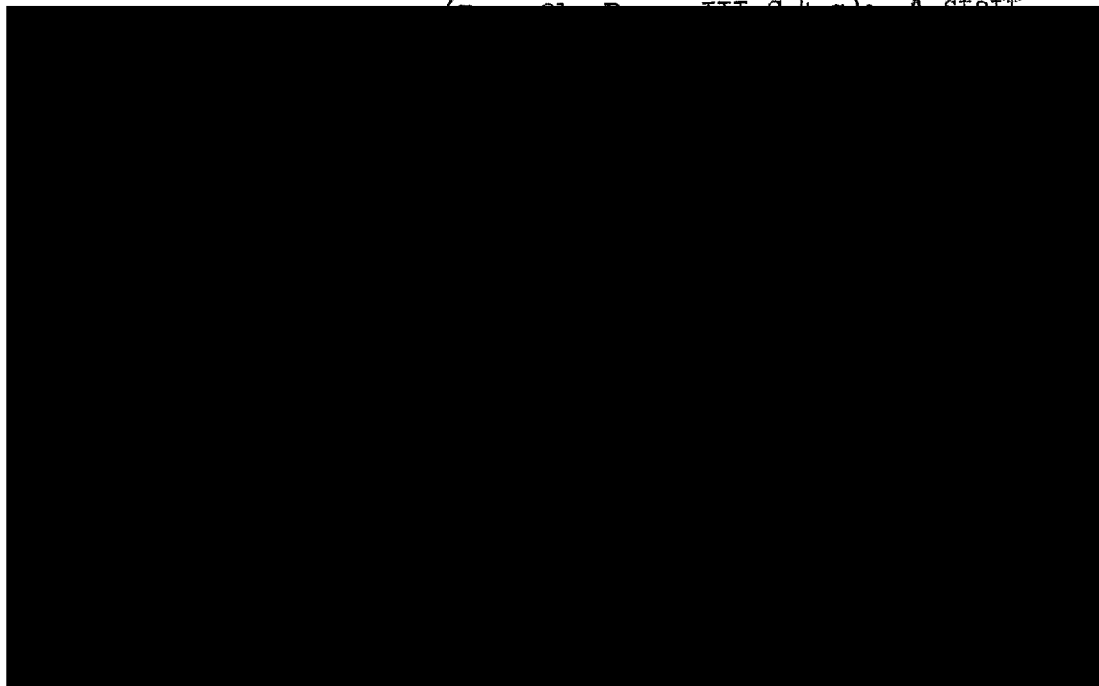
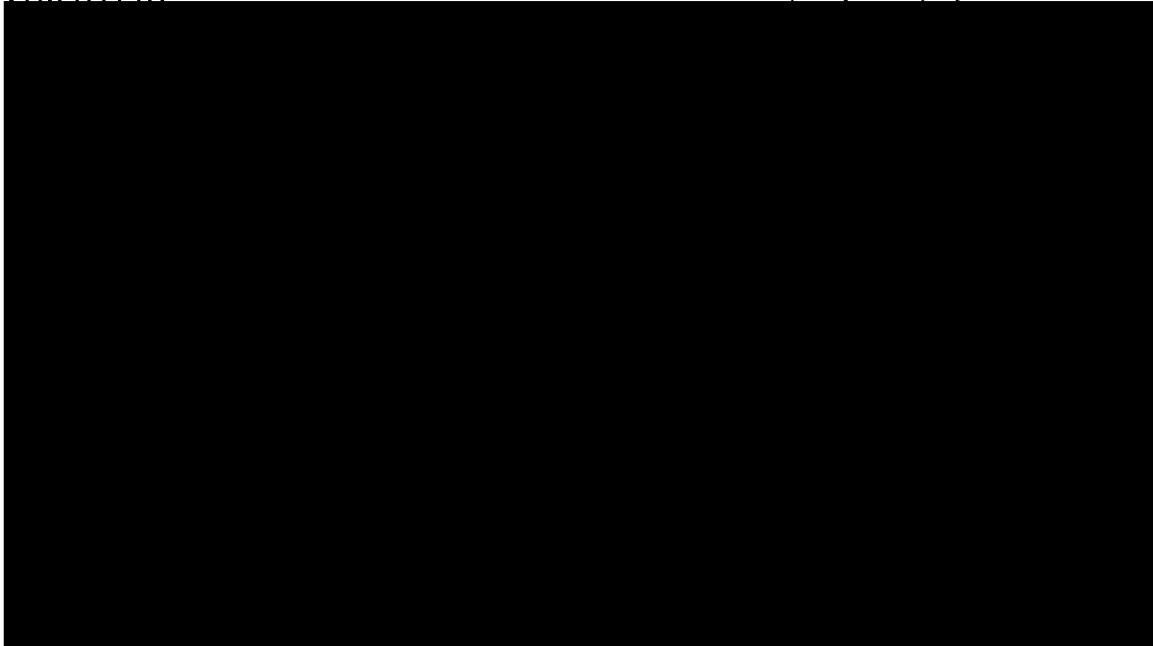


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3. RECOMMENDATION (Page 25, Para. III C.6.e.) (Cross reference Page 6, Para. II 11): It is recommended that a committee composed of representatives of appropriate DD/S offices, DD/P, the Office of Communications and the General Counsel be established to: (1) Prepare a regulation clearly stating the procurement and delivery inspection responsibilities and procedures of the Logistics Office and the using components; and (2) Determine the number of personnel required for adequate inspection.

COMMENT: Concur in principle with this recommendation. Procurement and delivery inspection responsibilities and procedures have been under study by this Office for some time. This Office concurs in the necessity for the publication of a concise regulation outlining responsibilities in this area. However, it is believed that this can be accomplished without establishing a committee for this purpose. A complete study of the inspection problem will be completed in the near future. It is anticipated that the results of this study will be published as a regulation in accordance with R 5-100. This study will also indicate personnel requirements for adequate performance.

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5. RECOMMENDATION (Page 36, Para. IV A.2.a) (Pages 38 and 39, Para. IV B.1.d): It is recommended that the Chief of Logistics initiate more frequent discussion and personal contact with his Division Chiefs, and that statistical and activity reports be combined into one report, and placed on a biweekly or monthly basis.

COMMENT: Concur in principle with this recommendation. A policy of this Office has been that all Division and Staff Chiefs have free access to the Office of the Chief for discussions on problems, policy, and guidance as required. Continued emphasis will be placed on this policy to encourage such contacts in the future.

The statistical report will be modified from a weekly to a monthly basis. The handling of weekly activity reports has been changed and placed on a restricted need-to-know basis. In view of the close relationships between the various divisions of the Logistics Office it is deemed essential that these reports receive this limited distribution. However, continued emphasis will be placed on the security aspects involved in the handling of these reports. It is recognized that the weekly reports and statistical reports fall in a category of management tools. However, statistical reports do not receive unilateral distribution and are designed primarily for the purpose of evaluating the expenditure of manhours and production. This evaluation constitutes a method by which the Chief of Logistics can determine man power utilization and areas where excessive backlog of work exists. It is believed that handling these reports on a separate basis will continue to be beneficial within the Logistics Office and will satisfy all security criteria.

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7. RECOMMENDATION (Page 43, Para. IV B.3.f): It is doubtful that there will be much management assistance work needed by the Logistics Office which cannot be satisfactorily performed by the Agency's Management Staff.

COMMENT: Concur in principle with this recommendation. It appears that the title of this function is not in keeping with the duties performed. During the past eighteen months the primary accomplishment of Management Assistance Branch has been the development and publication of 73 Agency Logistics Regulations. As of 27 January 1955 101 additional regulations were on schedule for development, coordination and publication. In view of the priority of this type work and the need for these directives it is not deemed advisable to make any changes in assignment of functions. Upon completion of this regulation workload, the activities of this Branch will be reviewed in conjunction with the Management Staff for corrective action required.

8. RECOMMENDATION (Page 49, Para. IV C.4.d): It is recommended that the next senior Purchasing Agent in the General Purchase Section be authorized to approve purchase orders in amounts not over \$1,000.

COMMENT: Concur in principle with this recommendation. In order to insure continuity of operations at all times it is believed advisable to place this responsibility on the next senior individual as an alternate to act in the absence of Chief of the Purchase Section in the approval of purchase orders which he normally approves.

9. RECOMMENDATION (Page 36, Para. IV A.1.e) (Page 7, Para. II, 28 and Page 39, Para. IV B.1.e): It is recommended that the Technical Review and Policy Staff be abolished as such and reconstituted as the Review Branch of the Planning Staff.

COMMENT: Concur in principle with this recommendation. This recommendation has been evaluated and it is believed more feasible to combine the responsibilities of the Technical Review and Policy Staff with those of the Assistant Chief for Operations so as to assure unity of command and flexibility of performance. It is anticipated that responsibility for regulatory issuance development will be assigned to the Administrative Staff and that Department of Defense negotiations will become the responsibility of the Planning Staff. It should be recognized that the technical review function cannot be considered as a homogeneous function of the Planning Staff.

10. RECOMMENDATION (Page 36, Para. IV A.1.e) (Page 7, Para. II 29): That position (Assistant Chief for Operations) be eliminated as soon as possible to facilitate necessary closer contact between the Chief of Logistics and his Division Chiefs who have the operating responsibilities.

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At that time the positions of GS-14, Assistant to the Assistant Chief for Operations and the Clerk Stenographer, R-988 also should be abolished, and a GS-15 position of Executive Officer should be established.

COMMENT: Concur in principle with this recommendation. This recommendation has been evaluated and it is believed more feasible to combine the responsibilities of the Technical Review and Policy Staff with those of the Assistant Chief for Operations so as to assure unity of command and flexibility of performance. It is anticipated that responsibility for regulatory issuance development will be reassigned to the Administrative Staff and that Department of Defense negotiations will become the responsibility of the Planning Staff. It is anticipated that the major percentage of administrative workload presently accomplished by the Assistant Chief for Operations will be transferred to the Administrative Staff.

11. RECOMMENDATION (Page 41, Para. IV B.2.1): The function of compiling and analysing statistical information from the five operating divisions should remain a responsibility of the Planning Staff and should be assigned to the new Review Branch which was recommended (Para. IV A.1.e) to be created out of the Technical Review and Policy Staff. This function together with the other functions recommended for the new branch in paragraph IV B.1.e would provide the Planning Staff with a necessary flow of information on the operation of the Agency's logistical system.

COMMENT: Concur with modification in this recommendation. The function of compiling and analysing statistical information from the five divisions should remain a responsibility of the Planning Staff. From a viewpoint of logistics, the inspection and review of domestic facilities and overseas logistics activities cannot logically be constituted as a planning function. In order to insure that the present functions of the Technical Review and Policy Staff are performed unilaterally regardless of the logistics component concerned, it is deemed advisable to retain this function on a Staff basis reporting direct to the Director of Logistics. After complete evaluation it is believed more feasible to combine the responsibilities of the Technical Review and Policy Staff with those of the Assistant Chief for Operations so as to assure unity of command and flexibility of performance. It is anticipated that responsibility for regulatory issuance development will be reassigned to the Administrative Staff and that Department of Defense negotiations will become the responsibility of the Planning Staff.